

International product policies

Why Firms Alter Products	Legal, Cultural or Economic reasons
Product line decisions	Sales, cost and product life cycle considerations depend on

Marketing Strategies - depends on orientation

Production

Sales

Customer

Strategic

Social marketing

International branding strategies

Worldwide brand pros Global image and player ID

Worldwide brand Cons Language, brand acquisition, country of origin, generic and near generic names

Marketing mix may vary

Gap analysis estimating potential sales by identifying prospects not serving adequately. Usage, line, distribution, competitive

Marketing principles in foreign markets

similar to those in domestic markets: Product, Price, Promotion, Place. But may need to be adapted.

Target / segment by

Country

Global segment

Multiple criteria

Country differences may req alt approach

Promotion sales messages. Standardized advertising: low \$, better quality. common global image, rapid entry. May have issues with legals, language and matching market needs

Push / Pull

Practices and complications - Internet

Opportunities Fast, cheap

Problems cannot differentiate between countries, legals still apply

Pricing strategy complexities

Potential obstacles Government intervention via min/max \$ or prohibiting pricing strategys. Market diversity.

Tactics Skimming, penetration, cost-plus

Export price escalation

Fluctuations in currency value

Gray market or product diversion Selling and handling of goods through unofficial distributors

Practices and complications - distribution

Distribution the course that goods take between production and consumption

Physical path or legal title

Distribution can vary substantially among countries

Distribution can be difficult to change

When choosing distributors and channels firms must consider is internal handling feasible, which distributors are qualified, reliability

May need to give distributors Incentives, confidence in product, successful products

Cause cost diff in countries Infrastructure, levels in distribution, retail inefficiencies, size and hour restrictions, inventory stick outs



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Page 1 of 1.

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